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FOR IMMEDIATE RELEASE

February 28, 2006

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**FORMER VERIZON WIRELESS EMPLOYEE PLEADS GUILTY TO
PERPETRATING FRAUD OF UP TO \$21 MILLION**

SACRAMENTO - United States Attorney McGregor W. Scott announced today that TIMOTHY CHARLES MATTOS, 34, of Folsom, California, pleaded guilty in federal court today to two counts of fraud. MATTOS admitted in court that he gained unauthorized access to Verizon Wireless's prepaid cellular personal identification numbers ("PINs") with a face value of approximately \$21 million. Mattos further admitted that he then sold these PINs to retailers across the country.

This case is the product of an extensive investigation by the United States Secret Service. Verizon Wireless provided substantial assistance in the investigation of this case.

According to Assistant United States Attorney Matthew Stegman, who is prosecuting the case, TIMOTHY CHARLES MATTOS was formerly employed as a customer service representative at Verizon Wireless. Verizon Wireless offered its customers a service plan which allowed customers to prepay Verizon Wireless for cellular telephone service. Verizon Wireless sold prepaid minutes through 15-digit PINs which were printed on special cards or sold in other forms. To add minutes to their prepaid cellular telephones, customers could purchase PINs from Verizon Wireless or authorized retailers and call a phone number to "activate" the prepaid minutes. Verizon Wireless stored available PINs on a secure computer system available only to certain employees. Beginning in November of 2002, as a Verizon Wireless customer service representative, MATTOS accessed the computer system, stole the PINs, and then sold them to retailers throughout the country at substantially discounted prices. MATTOS left the company's employment in November of 2003 and continued to steal and sell PINs until March of 2004.

MATTOS entered his guilty plea before United States District Judge Morrison C. England. Each count carries a sentence of up to five years in prison, a fine of \$250,000, and three years of supervised release. He is scheduled to be sentenced on May 23, 2006.

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